

House File 686

HOUSE FILE _____
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 313)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to urban renewal and tax increment financing and
2 including effective and retroactive applicability date
3 provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 3464HV 80
6 sc/cf/24

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1 1 Section 1. Section 257.3, subsection 1, Code 2003, is
1 2 amended by adding the following new unnumbered paragraph:
1 3 NEW UNNUMBERED PARAGRAPH. For fiscal years beginning on or
1 4 after July 1, 2004, foundation property taxes paid to a
1 5 municipality pursuant to section 403.19, subsections 2 and 8,
1 6 shall be regarded as foundation property taxes collected by
1 7 the school district for purposes of this section.
1 8 Sec. 2. Section 403.5, subsection 4, paragraph b,
1 9 subparagraph (1), subparagraph subdivision (b), Code 2003, is
1 10 amended to read as follows:
1 11 (b) That conditions of slum or blight in the municipality
1 12 and the shortage of decent, safe and sanitary housing cause or
1 13 contribute to an increase in and spread of disease and crime,
1 14 so as to constitute a menace to the public health, safety,
1 15 morals, or welfare.
1 16 Sec. 3. Section 403.5, subsections 5 and 6, Code 2003, are
1 17 amended to read as follows:
1 18 5. An urban renewal plan may be ~~modified~~ amended at any
1 19 time: Provided, that if ~~modified~~ amended after the lease or
1 20 sale by the municipality of real property in the urban renewal
1 21 project area, such ~~modification~~ amendment may be conditioned
1 22 upon such approval of the owner, lessee, or successor in
1 23 interest as the municipality may deem advisable, and in any
1 24 event such ~~modification~~ amendment shall be subject to such
1 25 rights at law or in equity as a lessee or purchaser, or a
1 26 lessee's or purchaser's successor or successors in interest,
1 27 may be entitled to assert. ~~The An urban renewal project may~~
1 28 be added to an urban renewal plan only by an amendment to the
1 29 plan. Territory may be added to, or severed from, an urban
1 30 renewal area only by an amendment to the urban renewal plan.
1 31 When amending an urban renewal plan, the municipality shall
1 32 comply with the notification and consultation process provided
1 33 in this section prior to the approval of any amendment ~~or~~
1 34 ~~modification~~ to an adopted urban renewal plan if such
1 35 amendment ~~or modification~~ provides for refunding bonds or
2 1 refinancing resulting in an increase in debt service or
2 2 provides for the issuance of bonds or other indebtedness, to
2 3 be funded primarily in the manner provided in section 403.19,
2 4 or if such amendment proposes to add a project to an urban
2 5 renewal plan or proposes to add territory to an urban renewal
2 6 area or proposes to sever territory from an urban renewal
2 7 area.
2 8 If a city proposes an amendment to an urban renewal plan to
2 9 sever territory from an urban renewal area, each county where
2 10 the territory to be severed is located must, within thirty
2 11 days of the conclusion of the consultation process, adopt a
2 12 resolution approving or rejecting the proposed amendment. If
2 13 a resolution approving the proposed amendment to an urban
2 14 renewal plan is received from each county where the territory
2 15 to be severed is located, or if the board of supervisors of
2 16 each county where the territory to be severed is located takes
2 17 no action within the thirty-day time period, the governing
2 18 body of the city may proceed with the proposed amendment. If
2 19 one or more resolutions rejecting the proposed amendment to
2 20 sever the territory is received, the governing body of the
2 21 city shall not proceed with the proposed amendment to the

2 22 urban renewal plan.

2 23 If an urban renewal plan is amended and the amendment to

2 24 the plan provides for the addition of territory to the urban

2 25 renewal area, the assessment year established for the

2 26 territory added for purposes of dividing revenue under section

2 27 403.19 shall be the assessment year determined pursuant to

2 28 section 403.19, subsection 10.

2 29 6. Upon the approval by a municipality of an urban renewal

2 30 plan or of any ~~modification thereof~~ amendment to an urban

2 31 renewal plan, such plan or ~~modification~~ amendment shall be

2 32 deemed to be in full force and effect for the respective urban

2 33 renewal area, and the municipality may then cause such plan or

2 34 ~~modification~~ amendment to be carried out in accordance with

2 35 its terms.

3 1 Sec. 4. Section 403.5, Code 2003, is amended by adding the

3 2 following new subsections:

3 3 NEW SUBSECTION. 8. Except as otherwise provided in

3 4 subsection 9, the designation of an urban renewal area

3 5 pursuant to this section shall be limited in duration to

3 6 twenty years counting from July 1 of the first fiscal year in

3 7 which the municipality receives moneys from a division of

3 8 revenue pursuant to section 403.19. However, the duration of

3 9 an urban renewal area established before July 1, 2003, shall

3 10 be limited to twenty years counting from July 1 of the first

3 11 fiscal year in which the municipality received moneys from a

3 12 division of revenue pursuant to section 403.19, or shall end

3 13 June 30 of the fiscal year in which the amount of loans,

3 14 advances, indebtedness, or bonds due and owing on the

3 15 effective date of this Act is paid, whichever is later.

3 16 Indebtedness incurred after the effective date of this Act to

3 17 refund bonds issued prior to the effective date of this Act

3 18 shall not be considered loans, advances, indebtedness, or

3 19 bonds due and owing on the effective date of this Act. An

3 20 amendment to an urban renewal plan shall not result in an

3 21 extension of the durational limitation imposed in this

3 22 subsection.

3 23 NEW SUBSECTION. 9. If an urban renewal plan for an urban

3 24 renewal area is based on a finding that the area is a slum or

3 25 blighted area, the division of taxes authorized in section

3 26 403.19 shall be deemed to continue beyond the period described

3 27 in subsection 8 if the ordinance of the municipality providing

3 28 for the division of taxes under section 403.19 within such

3 29 urban renewal area provides that the portion of taxes

3 30 described in section 403.19, subsection 1, and allocated as

3 31 provided in that subsection shall be recalculated at the end

3 32 of the period described in subsection 8, and every ten years

3 33 thereafter, and shall be determined from and after said dates

3 34 based upon the assessed value of the taxable property within

3 35 the urban renewal area as of a date five years after the date

4 1 of the assessment roll previously used under the ordinance to

4 2 determine the portion of taxes described in section 403.19,

4 3 subsection 1.

4 4 Sec. 5. Section 403.6, subsection 6, paragraph b, Code

4 5 2003, is amended to read as follows:

4 6 b. Urban renewal plans adopted, or amended, pursuant to

4 7 the requirements of section 403.5;

4 8 Sec. 6. Section 403.6, subsection 12, Code 2003, is

4 9 amended to read as follows:

4 10 12. To approve and amend urban renewal plans, subject to

4 11 the requirements of section 403.5.

4 12 Sec. 7. Section 403.15, subsection 2, Code 2003, is

4 13 amended to read as follows:

4 14 2. If the urban renewal agency is authorized to transact

4 15 business and exercise powers pursuant to this chapter, the

4 16 mayor or chairperson of the board, as applicable, by and with

4 17 the advice and consent of the local governing body, shall

4 18 appoint four members of a board of commissioners of the urban

4 19 renewal agency, which board shall consist of five seven

4 20 ~~commissioners. In cities having a population of more than one~~

4 21 ~~hundred thousand, the city council may establish, by~~

4 22 ~~ordinance, the number of commissioners at not less than five.~~

4 23 ~~The affected taxing entities, other than the municipality that~~

4 24 ~~has approved the urban renewal plan, shall appoint three~~

4 25 ~~members of the board of commissioners of the urban renewal~~

4 26 ~~agency. The term of office of each such commissioner shall be~~

4 27 ~~one year.~~

4 28 Sec. 8. Section 403.17, subsection 10, Code 2003, is

4 29 amended to read as follows:

4 30 10. "Economic development area" means an area of a

4 31 municipality designated by the local governing body as

4 32 appropriate for commercial and industrial enterprises, or

4 33 public improvements related to housing and residential
4 34 development, or construction of housing and residential
4 35 development for low and moderate income families, including
5 1 single or multifamily housing. ~~If an urban renewal plan for
5 2 an urban renewal area is based upon a finding that the area is
5 3 an economic development area and that no part contains slum or
5 4 blighted conditions, then the division of revenue provided in
5 5 section 403.19 and stated in the plan shall be limited to
5 6 twenty years from the calendar year following the calendar
5 7 year in which the municipality first certifies to the county
5 8 auditor the amount of any loans, advances, indebtedness, or
5 9 bonds which qualify for payment from the division of revenue
5 10 provided in section 403.19.~~ Such designated area shall not
5 11 include agricultural land, including land which is part of a
5 12 century farm, unless the owner of the agricultural land or
5 13 century farm agrees to include the agricultural land or
5 14 century farm in the urban renewal area. For the purposes of
5 15 this subsection, "century farm" means a farm in which at least
5 16 forty acres of such farm have been held in continuous
5 17 ownership by the same family for one hundred years or more.

5 18 Sec. 9. Section 403.17, Code 2003, is amended by adding
5 19 the following new subsection:

5 20 NEW SUBSECTION. 12A. "Indebtedness" includes, but is not
5 21 limited to, a written agreement to suspend, abate, exempt,
5 22 rebate, refund, or reimburse property taxes or to provide a
5 23 grant for property taxes paid.

5 24 Sec. 10. Section 403.19, subsection 1, paragraphs a and b,
5 25 Code 2003, are amended to read as follows:

5 26 a. Unless otherwise provided in this section, that portion
5 27 of the taxes which would be produced by the rate at which the
5 28 tax is levied each year by or for each of the taxing districts
5 29 upon the total sum of the assessed taxable value of the
5 30 taxable property in the urban renewal area, as shown on the
5 31 assessment roll as of January 1 of the calendar year preceding
5 32 the first calendar year in which the municipality certifies to
5 33 the county auditor the amount of loans, advances,
5 34 indebtedness, or bonds payable from the division of property
5 35 tax revenue, or on the assessment roll last equalized prior to
6 1 the date of initial adoption of the urban renewal plan if the
6 2 plan was adopted prior to July 1, 1972, shall be allocated to
6 3 and when collected be paid into the fund for the respective
6 4 taxing district as taxes by or for the taxing district into
6 5 which all other property taxes are paid. However, the
6 6 municipality may choose to divide that portion of the taxes
6 7 which would be produced by levying the municipality's portion
6 8 of the total tax rate levied by or for the municipality upon
6 9 the total sum of the assessed taxable value of the taxable
6 10 property in the urban renewal area, as shown on the assessment
6 11 roll as of January 1 of the calendar year preceding the
6 12 effective date of the ordinance and if the municipality so
6 13 chooses, an affected taxing entity may allow a municipality to
6 14 divide that portion of the taxes which would be produced by
6 15 levying the affected taxing district's portion of the total
6 16 tax rate levied by or for the affected taxing entity upon the
6 17 total sum of the assessed taxable value of the taxable
6 18 property in the urban renewal area, as shown on the assessment
6 19 roll as of January 1 of the calendar year preceding the
6 20 effective date of the ordinance. This choice to divide a
6 21 portion of the taxes shall not be construed to change the
6 22 effective date of the division of property tax revenue with
6 23 respect to an urban renewal plan in existence on July 1, 1994.

6 24 b. For the purpose of allocating taxes levied by or for
6 25 any taxing district which did not include the territory in an
6 26 urban renewal area on the effective date of the ordinance or
6 27 initial adoption of the plan, but to which the territory has
6 28 been annexed or otherwise included after the effective date,
6 29 the assessment roll applicable to property in the annexed
6 30 territory as of January 1 of the calendar year preceding the
6 31 effective date of the ordinance, which amends the plan to
6 32 include the annexed area, shall be used in determining the
6 33 assessed taxable valuation of the taxable property in the
6 34 annexed area.

6 35 Sec. 11. Section 403.19, subsection 2, Code 2003, is
7 1 amended to read as follows:

7 2 2. That portion of the taxes each year in excess of such
7 3 amount shall be allocated to and when collected be paid into a
7 4 special fund of the municipality to pay the principal of and
7 5 interest on loans, moneys advanced to, or indebtedness,
7 6 whether funded, refunded, assumed, or otherwise, including
7 7 bonds issued under the authority of section 403.9, subsection
7 8 1, incurred by the municipality to finance or refinance, in

7 9 whole or in part, an urban renewal project within the area,
7 10 and to provide assistance for low and moderate income family
7 11 housing as provided in section 403.22, ~~except that. However,~~
7 12 taxes for the regular and voter-approved physical plant and
7 13 equipment levy of a school district imposed pursuant to
7 14 section 298.2, ~~and~~ taxes for the payment of bonds and interest
7 15 of each taxing district ~~must, and for fiscal years beginning~~
7 16 ~~on or after July 1, 2004, the foundation property tax imposed~~
7 17 ~~pursuant to section 257.3, subsection 1, unless the board of~~
7 18 ~~directors of the school district by resolution adopted~~
7 19 ~~pursuant to subsection 8 directs that the foundation property~~
7 20 ~~tax be paid to the municipality or unless the municipality~~
7 21 ~~provides the certification required under subsection 9, shall~~
7 22 ~~be collected against all taxable property within the taxing~~
7 23 ~~district without limitation by the provisions of this~~
7 24 ~~subsection. However In addition, all or a portion of the~~
7 25 ~~taxes for the physical plant and equipment levy shall be paid~~
7 26 ~~by the school district to the municipality if the auditor~~
7 27 ~~certifies to the school district by July 1 the amount of such~~
7 28 ~~levy that is necessary to pay the principal and interest on~~
7 29 ~~bonds issued by the municipality to finance an urban renewal~~
7 30 ~~project, which bonds were issued before July 1, 2001.~~
7 31 ~~Indebtedness incurred to refund bonds issued prior to July 1,~~
7 32 ~~2001, shall not be included in the certification. Such school~~
7 33 ~~district shall pay over the amount certified by November 1 and~~
7 34 ~~May 1 of the fiscal year following certification to the school~~
7 35 ~~district subsection 7 applies.~~

8 1 PARAGRAPH DIVIDED. Unless and until the total **assessed**
8 2 **taxable** valuation of the **taxable** property in an urban renewal
8 3 area exceeds the total **assessed taxable** value of the **taxable**
8 4 property in such area as shown by the last equalized
8 5 assessment roll referred to in subsection 1, all of the taxes
8 6 levied and collected upon the taxable property in the urban
8 7 renewal area shall be paid into the funds for the respective
8 8 taxing districts as taxes by or for the taxing districts in
8 9 the same manner as all other property taxes. When such loans,
8 10 advances, indebtedness, and bonds, if any, and interest
8 11 thereon, have been paid, all moneys thereafter received from
8 12 taxes upon the taxable property in such urban renewal area
8 13 shall be paid into the funds for the respective taxing
8 14 districts in the same manner as taxes on all other property.

8 15 Sec. 12. Section 403.19, subsection 5, Code 2003, is
8 16 amended to read as follows:

8 17 5. A municipality shall certify to the county auditor on
8 18 or before December 1 of each year the amount of loans,
8 19 advances, indebtedness, or bonds which qualify for payment
8 20 during the fiscal year beginning in the following calendar
8 21 year from the special fund referred to in subsection 2, and
8 22 the filing of the certificate shall make it a duty of the
8 23 auditor to provide for the division of taxes in **each**
8 24 ~~subsequent the amount certified for the fiscal year until the~~
8 25 ~~amount of the loans, advances, indebtedness, or bonds is paid~~
8 26 ~~to the special fund beginning in the following calendar year.~~
8 27 The municipality shall include in the certification a schedule
8 28 of the total amount of loans, advances, indebtedness, or bonds
8 29 for which taxes mentioned in subsection 2 will be allocated
8 30 and a schedule of payments for such amounts. In any year, the

8 31 county auditor shall, upon receipt of a certified request from
8 32 a municipality filed on or before December 1, increase the
8 33 amount to be allocated under subsection 1 in order to reduce
8 34 the amount to be allocated in the following fiscal year to the
8 35 special fund, to the extent that the municipality does not
9 1 request allocation to the special fund of the full portion of
9 2 taxes which could be collected. Upon receipt of a certificate
9 3 from a municipality, the auditor shall mail a copy of the
9 4 certificate to each affected taxing district.

9 5 Sec. 13. Section 403.19, subsection 7, Code 2003, is
9 6 amended to read as follows:

9 7 7. For any fiscal year, a municipality may certify to the
9 8 county auditor for physical plant and equipment revenue
9 9 necessary for payment of principal and interest on bonds
9 10 issued prior to July 1, 2001, only if the municipality
9 11 certified for such revenue for the fiscal year beginning July
9 12 1, 2000. A municipality shall not certify to the county
9 13 auditor for a school district more than the amount the
9 14 municipality certified for the fiscal year beginning July 1,
9 15 2000. If for any fiscal year a municipality fails to certify
9 16 to the county auditor for a school district by July 1 the
9 17 amount of physical plant and equipment revenue necessary for
9 18 payment of principal and interest on such bonds, as provided
9 19 in subsection 2, the school district is not required to pay

9 20 over the revenue to the municipality. The county auditor
9 21 shall immediately certify to the school district the amount of
9 22 such levy that is necessary to pay the principal and interest
9 23 on bonds issued by the municipality to finance an urban
9 24 renewal project, which bonds were issued prior to July 1,
9 25 2001. Indebtedness incurred to refund bonds issued prior to
9 26 July 1, 2001, shall not be included in the certification.
9 27 Such school district shall pay over the amount certified by
9 28 November 1 and May 1 of the fiscal year following
9 29 certification to the school district.

9 30 PARAGRAPH DIVIDED. If a school district and a municipality
9 31 are unable to agree on the amount of physical plant and
9 32 equipment revenue certified by the municipality for the fiscal
9 33 year beginning July 1, 2001, either party may request that the
9 34 state appeal board review and finally pass upon the amount
9 35 that may be certified. Such appeals must be presented in
10 1 writing to the state appeal board no later than July 31
10 2 following certification. The burden shall be on the
10 3 municipality to prove that the physical plant and equipment
10 4 levy revenue is necessary to pay principal and interest on
10 5 bonds issued prior to July 1, 2001. A final decision must be
10 6 issued by the state appeal board no later than the following
10 7 October 1.

10 8 Sec. 14. Section 403.19, Code 2003, is amended by adding
10 9 the following new subsections:

10 10 NEW SUBSECTION. 8. For fiscal years beginning on or after
10 11 July 1, 2004, the board of directors of a school district may,
10 12 by resolution, direct that the amount of foundation property
10 13 tax imposed against the valuation in subsection 2 be paid into
10 14 the special fund of the municipality. The resolution may
10 15 apply to plans or projects begun on or after July 1, 2003, and
10 16 shall be in effect for the life of the urban renewal plan, or
10 17 for a lesser period of time if the school district board of
10 18 directors and the governing body of the municipality agree.
10 19 The resolution shall be filed with the county auditor.

10 20 NEW SUBSECTION. 9. For any fiscal year, a municipality
10 21 may certify to the county auditor for foundation property tax
10 22 revenue of a school district necessary for payment of
10 23 principal and interest on obligations incurred prior to July
10 24 1, 2004, only if the municipality certified for such revenue
10 25 on or before May 15, 2003. For purposes of this subsection, a
10 26 municipality may certify for such revenue with respect to
10 27 obligations which, on the effective date of this Act, had been
10 28 authorized to be issued or incurred. A municipality shall not
10 29 certify to the county auditor for a school district more than
10 30 the amount the municipality certified on or before May 15,
10 31 2003. If for any fiscal year a municipality fails to certify
10 32 to the county auditor for a school district by July 1 the
10 33 amount of foundation property tax revenue of a school district
10 34 necessary for payment of principal and interest on such
10 35 obligations, as provided in subsection 2, the school district
11 1 is not required to pay over the revenue to the municipality.
11 2 The county auditor shall immediately certify to the school
11 3 district the amount of such levy that is necessary to pay the
11 4 principal and interest on obligations incurred by the
11 5 municipality to finance an urban renewal project, which
11 6 obligations were incurred prior to July 1, 2004. Indebtedness
11 7 incurred to refund bonds issued prior to July 1, 2004, shall
11 8 not be included in the certification. Such school district
11 9 shall pay over the amount certified by November 1 and May 1 of
11 10 the fiscal year following certification to the school
11 11 district.

11 12 If a school district and a municipality are unable to agree
11 13 on the amount of foundation property tax revenue of a school
11 14 district certified by the municipality for the fiscal year
11 15 beginning July 1, 2004, either party may request that the
11 16 state appeal board review and finally pass upon the amount
11 17 that may be certified. Such appeals must be presented in
11 18 writing to the state appeal board no later than July 31
11 19 following certification. The burden shall be on the
11 20 municipality to prove that the foundation property tax levy
11 21 revenue is necessary to pay principal and interest on
11 22 obligations incurred prior to July 1, 2004. A final decision
11 23 must be issued by the state appeal board no later than the
11 24 following October 1.

11 25 NEW SUBSECTION. 10. If an urban renewal plan is amended
11 26 and the amendment to the plan provides for the addition of
11 27 territory to the urban renewal area, the assessment year for
11 28 the territory added for purposes of dividing revenue under
11 29 this section shall be the assessment year beginning January 1
11 30 of the calendar year preceding the calendar year in which the

11 31 municipality adopted the amendment.

11 32 NEW SUBSECTION. 11. When all loans, advances,
11 33 indebtedness, and bonds, if any, and interest thereon, have
11 34 been paid, revenues from taxes levied on taxable property in
11 35 an urban renewal area shall not be divided pursuant to this
12 1 section and shall not be deposited in a special fund under
12 2 subsection 2.

12 3 NEW SUBSECTION. 12. On or after July 1, 2003, a
12 4 municipality shall not enter into a written agreement, or
12 5 shall not extend or renew an existing agreement, to use
12 6 revenues paid into the special fund in subsection 2 to
12 7 suspend, abate, exempt, rebate, refund, or reimburse property
12 8 taxes, or to provide a grant for property taxes paid, in an
12 9 urban renewal area if the property taxes are imposed against
12 10 retail property. For the purposes of this subsection, "retail
12 11 property" means property that is assessed as commercial
12 12 property for property tax purposes and from which is sold at
12 13 retail tangible goods, wares, or merchandise on the premises
12 14 to the general public, which are subject to the state sales
12 15 tax, but shall not include property on which the sales of
12 16 retail tangible goods, wares, or merchandise constitutes a use
12 17 of less than fifty percent of the structures on the property.

12 18 Sec. 15. NEW SECTION. 403.19A DEBT LIMITATION FOR URBAN
12 19 RENEWAL AREAS.

12 20 1. For fiscal years beginning on or after July 1, 2003,
12 21 the total amount of loans, advances, indebtedness, and bonds
12 22 payable from the special fund of a municipality established in
12 23 section 403.19, subsection 2, in all urban renewal areas
12 24 designated by a municipality shall not exceed, in any year, an
12 25 amount equal to five percent of the total assessed value of
12 26 the taxable property in the municipality.

12 27 2. If the total amount of loans, advances, indebtedness,
12 28 and bonds issued or incurred for projects in all urban renewal
12 29 areas designated by a municipality and payable from the
12 30 special fund of a municipality established in section 403.19,
12 31 subsection 2, which loans, advances, indebtedness, and bonds
12 32 are outstanding on the effective date of this Act, exceeds the
12 33 limitation in subsection 1, the municipality may continue to
12 34 allocate moneys from the special fund to pay such loans,
12 35 advances, indebtedness, and bonds, and also to pay loans,
13 1 advances, indebtedness, and bonds which had been authorized to
13 2 be issued or incurred prior to the effective date of this Act.
13 3 However, the municipality shall not issue or incur loans,
13 4 advances, indebtedness, or bonds payable from the special fund
13 5 on or after the effective date of this Act for urban renewal
13 6 purposes unless the amount of such loans, advances,
13 7 indebtedness, or bonds when combined with the amount of loans,
13 8 advances, indebtedness, or bonds issued or incurred before the
13 9 effective date of this Act, meets the limitation established
13 10 in subsection 1.

13 11 3. For fiscal years beginning on or after July 1, 2003, a
13 12 city may exceed the debt limitation in this section only if
13 13 the proposed plan or proposed amendment that will result in
13 14 the debt limitation being exceeded is approved by resolution
13 15 of the board of supervisors of each affected taxing entity
13 16 that is a county within thirty days of the conclusion of the
13 17 consultation process in section 403.5, subsection 2. If a
13 18 resolution approving the proposed urban renewal plan or the
13 19 proposed amendment to an urban renewal plan that would result
13 20 in exceeding the debt limitation is received from each county
13 21 that is an affected taxing entity, or if the board of
13 22 supervisors of each county that is an affected taxing entity
13 23 takes no action within the thirty-day time period, the
13 24 governing body of the city may proceed with the proposed plan
13 25 or proposed amendment. The resolution approving the proposed
13 26 plan or amendment shall remain in effect for the life of the
13 27 plan or project, whichever is applicable. If one or more
13 28 resolutions rejecting the proposed plan or proposed amendment
13 29 is received, the city shall not proceed with the proposed plan
13 30 or amendment. However, the city may proceed with the proposed
13 31 plan or amendment but the county portion of the levy shall not
13 32 be divided and paid into the special fund of the city pursuant
13 33 to section 403.19, subsection 2, for purposes of funding a
13 34 project proposed under the plan or amendment.

13 35 4. For purposes of this section, an urban renewal area of
14 1 a city includes urban renewal areas established by the city in
14 2 the area of operation of the city and an urban renewal area of
14 3 a county includes urban renewal areas established by a county
14 4 in the area of operation of the county. For purposes of this
14 5 section, the total assessed value of the taxable property in a
14 6 city includes only the assessed value of the taxable property

14 7 within the corporate limits of the city regardless of where
14 8 the urban renewal area established by the city is located.
14 9 For purposes of this section, "assessed value" means the
14 10 valuations determined by the assessor before application of
14 11 any assessment limitations in section 441.21.
14 12 Sec. 16. Section 403.20, Code 2003, is repealed.
14 13 Sec. 17. EFFECTIVE AND APPLICABILITY DATE. This Act,
14 14 being deemed of immediate importance, takes effect upon
14 15 enactment and applies to urban renewal areas and urban renewal
14 16 projects established, and urban renewal plans adopted, before,
14 17 on, or after the effective date.
14 18 HF 686
14 19 sc/es/25